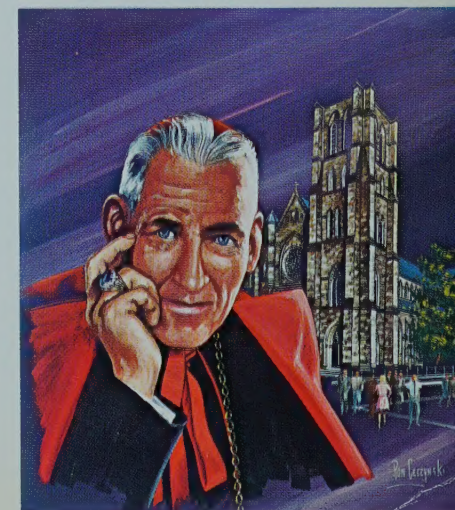
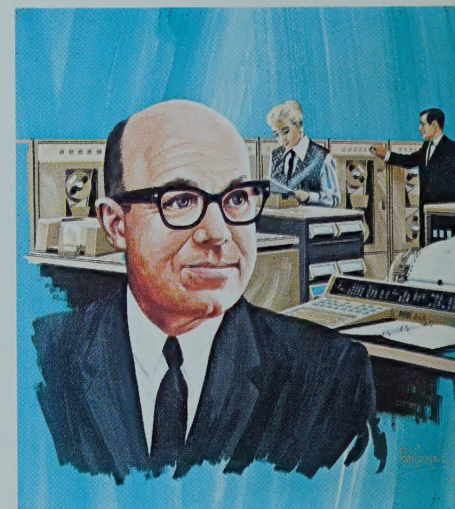
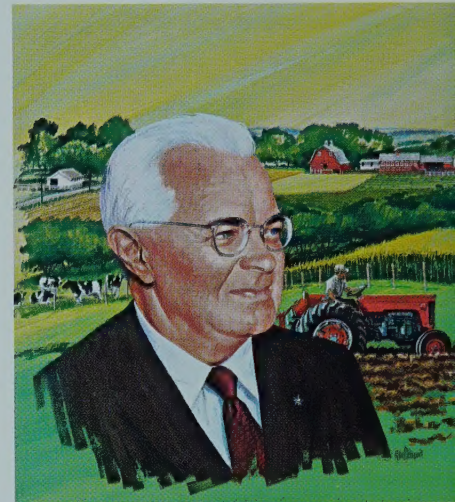
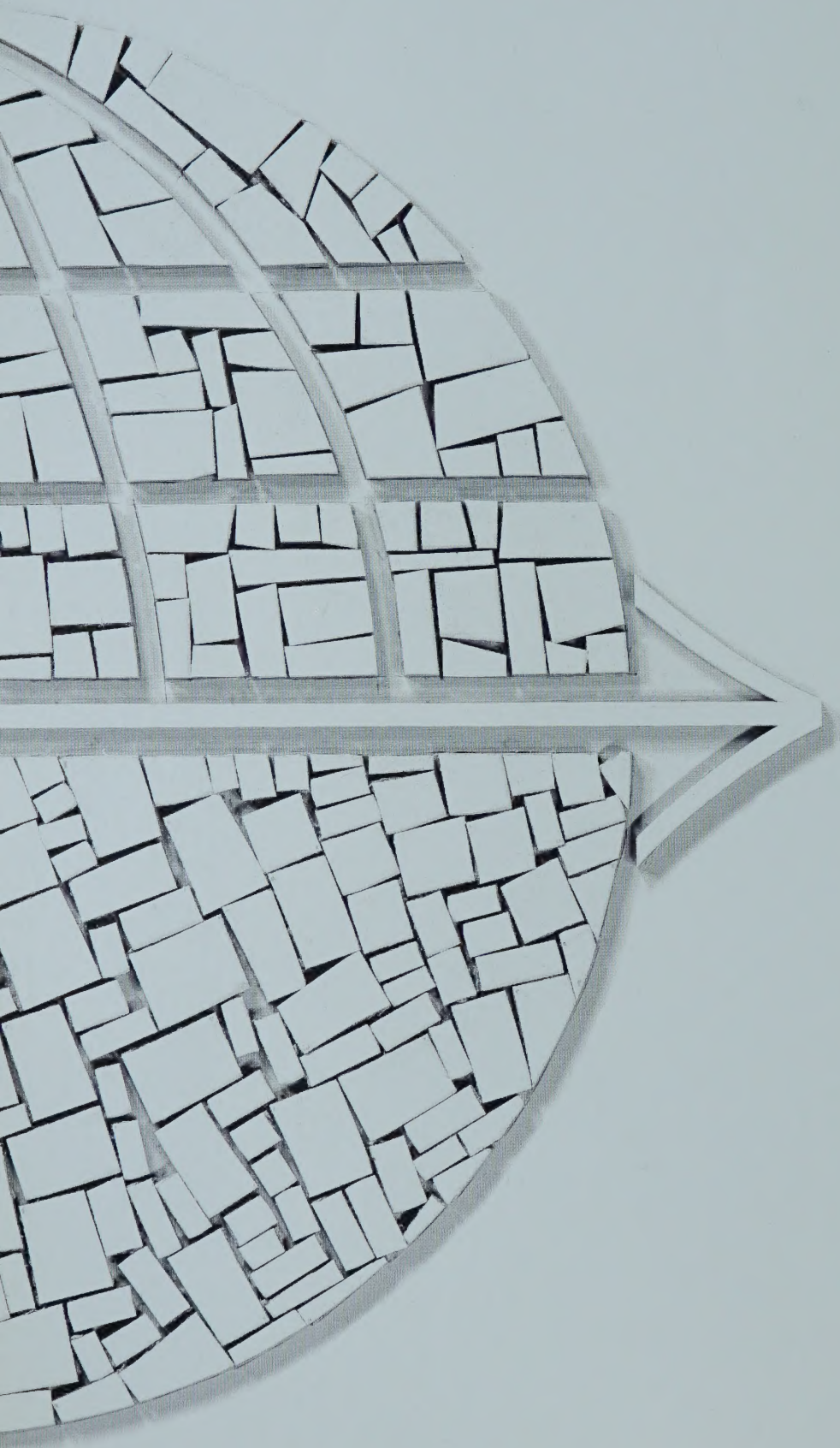


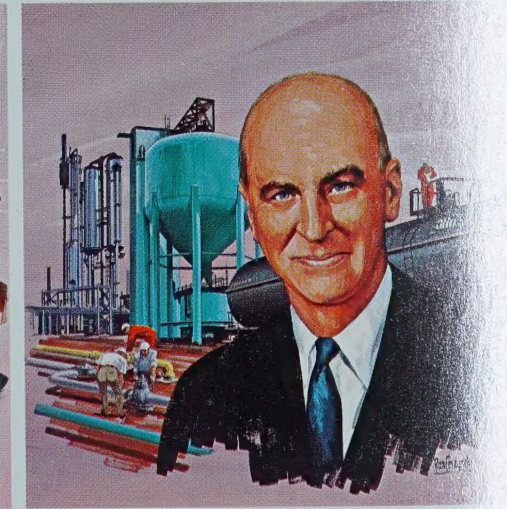
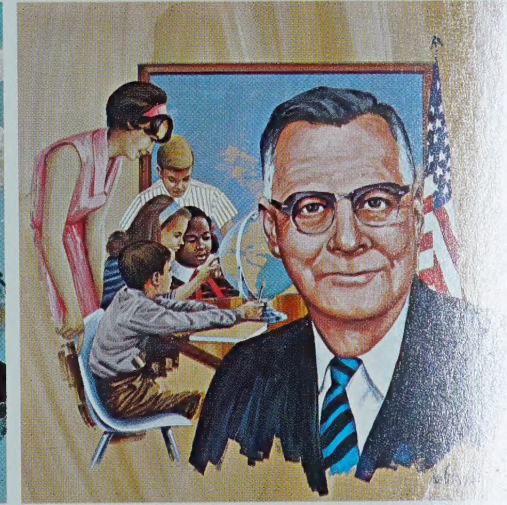
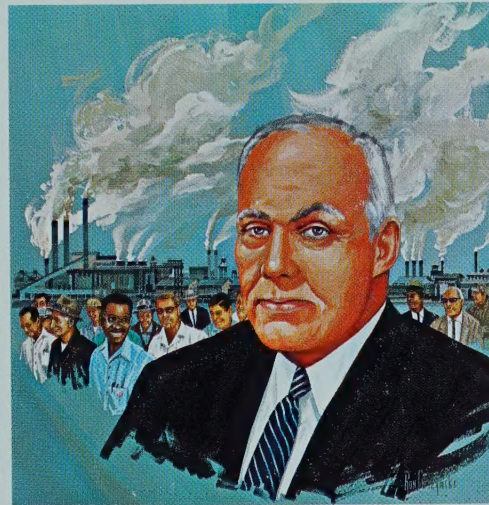
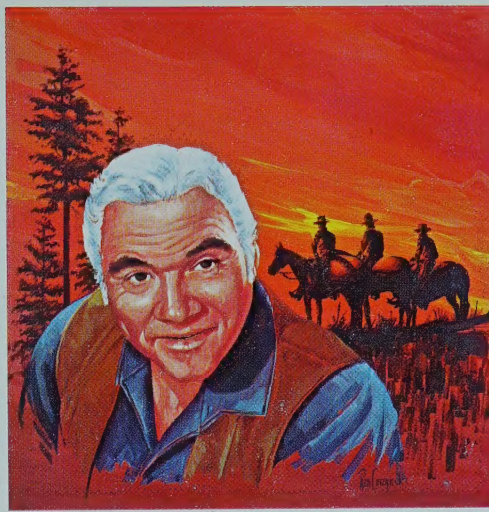


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Rev 30









The Brotherhood of Man has been a goal and ideal of mankind since the beginning of Christianity. The fact that the Credit Union has demonstrated that this philosophy can be applied very successfully in the day-to-day economic life of modern man is one of the most promising and encouraging developments of our era. As such it merits the support of all who believe in the dignity of man and the Fatherhood of God.

**His Eminence CARDINAL CUSHING**

**left to right:**

**1st row:** Chris Kraft, John Halliburton, Lord Greene, General Earle G. Wheeler. **2nd row:** Herschel D. Newsom, Robert C. Weaver, George Meany, William G. Carr. **3rd row:** Robert Oelman, Jose A. Mora, Sylvia Porter, Gordon Grand.





# Great tributes To Credit Unions

*Thirteen distinguished Americans paid tribute to the social and economic contributions of credit unions in CUNA Mutual's 1967 policy-owner calendar, "Great Tributes To Credit Unions."*

*National leaders in the fields of government, religion, business, industry, labor, agriculture, education and others joined in the calendar in endorsing the credit union for the benefits which it has brought to millions of people.*

*The calendar, the sixth to be produced in CUNA Mutual's "Great Credit Union Story" series, was widely lauded throughout the credit union movement as one of the most valuable educational and promotional instruments produced on behalf of credit unions. Thousands of additional copies were ordered by credit unions and leagues for their own distribution.*

*The distinguished leaders whose endorsements and portraits are featured in the calendar are:*

*Richard Cardinal Cushing of Boston; Robert C. Weaver, Secretary of the U. S. Department of Housing and Urban Development; General Earle G. Wheeler, Chairman of the U. S. Joint Chiefs of Staff; Lorne Greene, star of the TV "Bonanza" show; George Meany, President of the AFL-CIO;*

*Sylvia Porter, nationally syndicated business columnist; Robert S. Oelman, Chairman of the National Cash Register Company; Dr. William G. Carr, Executive Secretary of the National Education Association; Gordon Grand, President of Olin Mathieson Chemical Corporation; Herschel D. Newsom, Master of the National Grange;*

*Jose A. Mora, Secretary General of the Organization of American States; John Halliburton, Vice President of Eastern Air Lines; and Chris Kraft, Flight Director of the Manned Spacecraft Center (NASA).*



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# Highlights of 1966

For the third straight year, CUNA Mutual Insurance Society had a coverage increase of more than a billion dollars. CUNA Mutual's total insurance in force reached \$10.9 billion on Dec. 31, 1966, after a year that saw the Society record the largest annual coverage gain in its 31-year history.

Two new office buildings were completed and opened to serve credit union people in Canada and in the 13-state Western Region of the United States.

Coverage acquired through new sales of Loan Protection and Life Savings contracts reached a record level as the net increase in these contracts was more than double the 1965 gain.

A total of 345 new credit unions were organized by U. S. and Canadian Credit Union Leagues who are participating in CUNA Mutual's League Assistance Program. Thirty-one Leagues were taking part in the program at the close of 1966.

More individual life contracts were provided to credit union members for more dollars of protection than in any previous year.

CUMIS Insurance Society, organized as CUNA Mutual's property and casualty affiliate in 1960, declared its first stock dividend. CUMIS made gains in all areas during 1966 that were the best achieved by the Society to date.

CUNA Mutual and CUMIS completed development of the "Credit Union Package of Protection," insurance program in 1966.

The service program for credit unions was further enhanced in 1966 by development of the CUMIS Credit Union Bond.

CUNA Mutual service was extended to seven additional overseas countries in 1966.

Paul D. Deaton, Dayton, Ohio, was elected Chairman of the Board of Directors of CUNA Mutual Insurance Society. The Rev. J. D. N. MacDonald, Nova Scotia, was elected Chairman of the CUMIS Board of Directors.



**UPPER LEFT:** Sylvia Porter, nationally syndicated business columnist, is pictured in New York City receiving the original portrait of Miss Porter featured in CUNA Mutual's 1967 Policyowner Calendar, "Great Tributes To Credit Unions." Making the portrait presentation are, left to right, T. B. Benson, CUNA Mutual Senior Vice President; Harry M. Schaps, president of the New York League, M. F. Gregory, CUNA Mutual Senior Vice President, and Louis Bonderefsky, managing director of the New York League. **UPPER RIGHT:** General Earle G. Wheeler, Chairman of the U. S. Joint Chiefs of Staff — another distinguished American leader who endorsed the credit union purpose in CUNA Mutual's 1967 calendar — is pictured in his Pentagon office receiving his calendar portrait. Making the presentation are, left to right, Bill White, assistant managing director of the District of Columbia League; C. F. Eikel, Jr., CUNA Mutual and CUMIS President.





Paul D. Deaton



J. D. N. MacDonald



William Scogin



William Reid

## Your Board of Directors



P. G. Gooch



W. G. Lonergan



William W. Pratt



C. Frank Pratt



Robert A. Kratt



George A. Swales



John L. Helton



Fabian C. Monroe



Joseph Flannery

**PAUL D. DEATON**, Ohio  
*Chairman of the Board*  
*CUNA Mutual Insurance Society*  
*Treasurer*  
*CUMIS Insurance Society, Inc.*

**J. D. N. MACDONALD**, Nova Scotia  
*Chairman of the Board*  
*CUMIS Insurance Society, Inc.*  
*Director*  
*CUNA Mutual Insurance Society*

**WILLIAM SCOGIN**, Alabama  
*Vice Chairman of the Boards*  
*CUNA Mutual Insurance Society*  
*CUMIS Insurance Society, Inc.*

**P. G. GOOCH**, Texas  
*Secretary*  
*CUNA Mutual Insurance Society*  
*Director*  
*CUMIS Insurance Society, Inc.*

**WILLIAM REID**, New York  
*Treasurer*  
*CUNA Mutual Insurance Society*  
*Director*  
*CUMIS Insurance Society, Inc.*

**JOHN L. HELTON**, New York  
*Secretary*  
*CUMIS Insurance Society, Inc.*

**FABIAN C. MONROE**, Wisconsin  
*Assistant Secretary*  
*CUMIS Insurance Society, Inc.*

**W. G. LONERGAN**, Washington  
*Director*  
*CUNA Mutual Insurance Society*  
*Director*  
*CUMIS Insurance Society, Inc.*

**WILLIAM W. PRATT**, Pennsylvania  
*Director*  
*CUNA Mutual Insurance Society*  
*Director*  
*CUMIS Insurance Society, Inc.*

**C. FRANK PRATT**, California  
*Director*  
*CUNA Mutual Insurance Society*  
*Director*  
*CUMIS Insurance Society, Inc.*

**ROBERT A. KRATT**, Illinois  
*Director*  
*CUNA Mutual Insurance Society*  
*Director*  
*CUMIS Insurance Society, Inc.*

**GEORGE SWALES**, Alberta  
*Director*  
*CUNA Mutual Insurance Society*  
*Director*  
*CUMIS Insurance Society, Inc.*

**JOSEPH FLANNERY**, New Jersey  
*Director*  
*CUMIS Insurance Society, Inc.*



## Executive Staff

### CUNA MUTUAL INSURANCE SOCIETY

**C. F. EIKEL, JR.**  
*President and Managing Director*

**HENRY L. TIMME**  
*Executive Vice President*

**M. F. GREGORY**  
*Senior Vice President  
Relations and Services*

**T. B. BENSON**  
*Senior Vice President  
Finance*

**C. GORDON SMITH**  
*Vice President and  
General Manager —  
Canadian Operations*

**ROBERT L. CURRY**  
*Vice President — General Counsel*

**JOHN A. COLBY**  
*Vice President —  
Special Assistant to the  
President and Insurance Relations*

**H. E. MANZER**  
*Vice President of Agencies*

**J. R. COOPER**  
*Vice President — Field Operations  
Marketing and Sales*

**CARLOS M. MATOS**  
*Vice President —  
International Operations*

**O. H. EDGERTON**  
*Vice President  
Research and Development*

**J. M. SPARKMAN**  
*Vice President  
League Relations*

**C. C. COMPTON**  
*Assistant Vice President  
International*

**R. T. PETERSON**  
*Comptroller*

**WILLIAM R. BURNS**  
*Actuary*

**H. J. ROCHE**  
*Director of Public Relations*

### CUMIS INSURANCE SOCIETY, INC.

**C. F. EIKEL, JR.**  
*President*

**T. B. BENSON**  
*Executive Vice President*

**JOHN T. HITT**  
*Vice President — General Manager*

**HENRY L. TIMME**  
*Vice President*

**M. F. GREGORY**  
*Vice President*

**R. T. PETERSON**  
*Comptroller*

### CUNA MUTUAL INSURANCE SOCIETY CONSULTANTS

**ROBERTS, BOARDMAN,  
SUHR, & CURRY**  
*Legal Counsel*

**HAIGHT, DAVIS & HAIGHT**  
*Consulting Actuaries*

**HOUGHTON-TAPLICK & CO.**  
*Auditors*

**DR. RICHARD M. HEINS**  
*Consultant*

**DR. ROYAL ROTTER**  
*Medical Consultant*

## In Memoriam



**A. P.  
Quinton**

The death, on June 4, 1966, of A. P. Quinton, Chairman of the CUNA Mutual Board of Directors and a director of CUMIS Insurance Society, was a great loss. He set a personal standard of devotion to credit union service which reflected great honor on CUNA Mutual and CUMIS Insurance Societies.

A prominent Canadian credit union leader, Mr. Quinton, of Hamilton, Ontario, was a member of the CUNA Mutual Board of Directors from 1954 until his death. He had served the Society as its Treasurer and Vice Chairman before being elected Chairman at the 1966 Annual Meeting. He served as a director of CUMIS since it was established in 1960.

Mr. Quinton served as a director of CUNA International and held many positions of leadership in the Ontario Credit Union League. He served as a director of the League for many years, was League Comptroller and had been a member of the League's Executive Committee from 1948 until his death.



**Dr. Eugene  
M. Juster**

The CUNA Mutual and CUMIS Insurance Societies suffered another loss upon the death, December 15, 1966, of Dr. Eugene M. Juster, CUNA Mutual Vice President and Medical Director. Dr. Juster was CUNA Mutual's first medical advisor and made an important contribution in that capacity for 30 years. A Madison physician since 1926, Dr. Juster gave up his medical practice in 1962 to become the Society's first full-time Medical Director. In 1964 he was appointed Vice President and Medical Director.



# Our 1966 Report to Policyowners

The record of CUNA Mutual Insurance Society for 1966 was outstanding in terms both of credit union service expansion and corporate growth. This is apparent in a review of the following major achievements:

- *For the third straight year, coverage increased by more than a billion dollars with the 1966 gain representing a new record.*
- *Coverage acquired through new sales of Loan Protection and Life Savings contracts reached a record level as the net increase in contracts was more than double the 1965 gain.*
- *More individual life contracts were provided to credit union members for more dollars of protection than in any previous year.*
- *Service was extended to the credit union people of seven additional overseas countries.*
- *345 new credit unions were organized by U. S. and Canadian credit union leagues who are receiving financial assistance from CUNA Mutual for organizing under the League Assistance Program.*
- *Two new office buildings were completed for serving credit union people in Canada and in the 13-state Western Region of the U. S.*

These new buildings symbolized the continuing progress of credit union people and their own institutions. The new Canadian headquarters building at Burlington, Ontario, was required because of increased service needs of a greatly expanded Canadian credit union movement. The Western Office was created at Pomona, California, as a result of the progress and potential of credit unions in the Western states.

They also demonstrated determination and capacity to meet the growing and changing insurance needs of credit unions and their members. For this reason, they were significant milestones of progress and promise, not only for the credit union people of those areas, but for all who believe in the credit union way of life and who look to CUNA Mutual to lead the way in providing the most effective credit union insurance service.

**Financial Development:** The financial growth during 1966 was highlighted by an increase of total insurance in force of \$1,195,000,000, the largest annual gain in CUNA Mutual's 31-year history. This record gain boosted total coverage to \$10,923,620,756 as of December 31, 1966.

The increase in coverage was paralleled by gains in other financial areas which are detailed in the Financial Statement of this report. The most important statistic of all, of course, is that claims were paid during the year on the lives of 81,485 credit union members. This was an increase of 4,530 over the number of claims paid in 1965 and the dollar volume of claims paid was 13 per cent higher.

CUNA Mutual was created by credit union pioneers to provide added security to credit union members and their families, and the primary measure of this service must always be in the quality and quantity of the Society's claims service. The record demonstrates that the Society lived up to its responsibility in this area very effectively in 1966.

The over-all return to our policyowner credit unions under the Loan Protection and Life Savings contracts in claims, dividends and premium refunds during 1966 was more than 88.8 per cent of premium income received. In addition, credit unions with the new Loan Protection and Life Savings contracts and those under the Assured Return Plan had the benefit of \$2,764,000 in rate reductions during the year.

**Contract Gains:** One of the most encouraging developments of the year from a long-range standpoint was in the improved results in the sale and conservation of the Loan Protection and Life Savings contracts. Despite the vigorous efforts of competitive carriers, the net increase in these contracts was more than double the gain in 1965. There was an increase of 572 Loan Protection contracts and 624 Life Savings contracts.

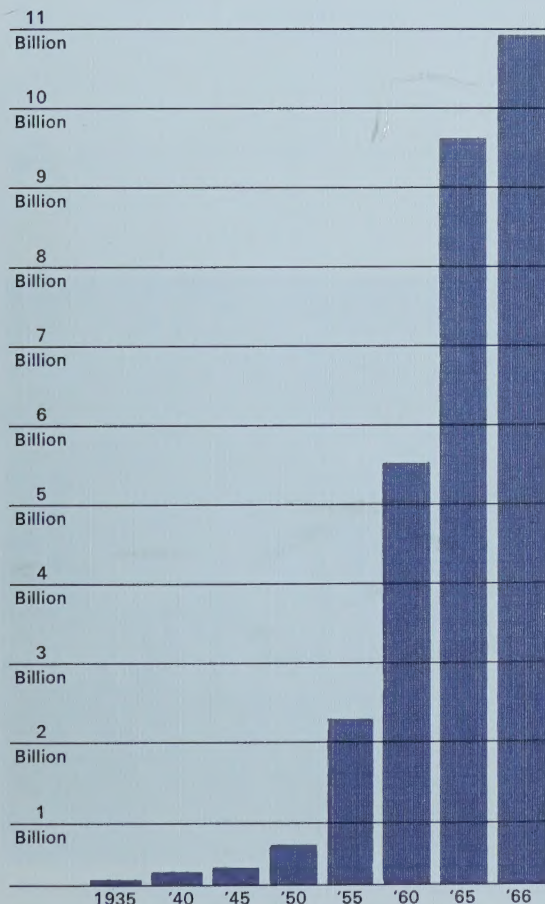
These gains were significant because they reflected the progressive steps taken during the past few years to adapt our Loan Protection and Life Savings services to the changing needs and desires of credit unions. As a result, we have the flexibility needed for tailoring these services more closely to the requirements of individual credit unions.

The importance of these new and flexible Loan Protection and Life Savings plans is very apparent in the over-all results during 1966. A total of 103 credit unions with combined coverage of more than 138 million



**ABOVE:** Paul D. Deaton, Chairman of the Board (left) and C. F. Eikel, Jr., President.





**CUNA MUTUAL COVERAGE  
GROWTH 1935-1966**

dollars came to CUNA Mutual from other carriers during the year as a result of the new contracts. They were also largely instrumental in the conservation of 232 policyowners with combined coverage of more than 346 million dollars.

In addition to providing credit unions with a broader selection of Loan Protection and Life Savings contracts, CUNA Mutual worked closely during 1966 with an increasing number of policyowners under the Technical Assistance Program which was inaugurated in 1964 to help credit unions with high loss ratio problems. A total of 182 credit unions joined the program during the year. This was more than twice the number utilizing the program during 1965. This program is not only helpful to the credit unions who need the assistance but to CUNA Mutual and all of its policyowners.

There was also substantial expansion during the year in the amount of protection provided to individual credit union members and their families through individual contracts. The increasing acceptance of these personal security programs by credit union members proves that this area of service is going to be of increasing value and importance to credit union members and to CUNA Mutual in the years ahead.

**Individual Expansion:** The Member Group and Member Individual programs available through leagues and credit unions accounted for a total of \$423½ million of protection at the end of 1966. This represented an increase of \$132½ million for the year. This valuable, low-cost individual protection is now provided in 45 league areas in the U. S. and in all leagues in Canada. At the end of 1966, this protection was being provided to the members of 1,081 credit unions.

In the Individual Life field, 10,265 new contracts were provided on the lives of credit union members and their families for nearly \$69 million of protection. This was the largest amount of individual coverage provided in a single year and represented an increase of 50 per cent over the 1965 total. Total individual coverage at the end of 1966 was \$235 million compared to \$187 million at the close of 1965.

This increase in the amount of individual insurance protection reflected the continued expansion and successful results of our Agency Department which completed its third full year of operations in 1966. The 20 agencies which were in operation at the end of 1966 provided \$38 million of protection on the lives of 4,574 credit union members during the year. This was a 57 per cent increase over the amount of coverage provided through our agencies in 1965.

The records of individual agents during 1966 indicated that the Agency Department is building a sound staff and that this service is welcomed by credit union members. Seven agents produced over a million dollars each of individual insurance protection during the year and seven of the agencies accounted for more than 2 million dollars of coverage. Five new agencies — three in the U. S. and two in Canada — were established during the year.

**International Expansion:** The international program to extend service to credit union people in overseas areas grew at a very satisfactory rate during 1966. Service was extended to seven additional overseas areas — the Trust Territory of the Pacific, New Zealand, the Solomon Islands, Tanzania and Lesotho in Africa, Honduras and Ecuador — and reinsurance agreements were negotiated as a basis for service programs in Mexico and Guatemala. At the end of 1966, credit union people in 36 overseas areas ranging from Ireland to New Zealand were being served.

Overseas progress is covered in detail in a separate section of this report. However, we would like to emphasize that the primary goal of the international program has been to provide the credit union people of overseas areas with the same sound and valuable insurance service that has helped to make the credit union movement so strong in this country and Canada.

Your Board of Directors and Management believe that this program to extend service to overseas areas has been a very logical fulfillment of CUNA Mutual's responsibility as the credit union movement insurance Society. It has been a large and complex challenge because of language, legal, and other differences, but substantial and encouraging progress has been made since the International Department was established in 1962.



## report: con't.

Wherever possible, CUNA Mutual has qualified under the laws of the country involved to provide service directly. Where this has been impossible, reinsurance agreements have been negotiated with local companies qualified to provide service. Within the past two years, bank accounts have been established in 13 countries to facilitate service and to make possible the investment of premium income in those areas. The response by overseas credit union people to these efforts has been gratifying. Typical was the following motion approved at the 1966 annual meeting of the Colombia Credit Union League:

**"The VI National Congress of UCONAL greets CUNA Mutual Insurance Society and thanks them for the magnificent collaboration extended to our organization. We hope to be able to soon have all the services of that magnificent Society in Colombia, in order to provide a better stimulus to credit unions."**

**CUMIS Progress:** Because of its affiliate relationship with CUNA Mutual, the growth and progress of CUMIS Insurance Society, Inc. in the credit union property and casualty insurance field during 1966 must be considered a major accomplishment during the past year. The details of CUMIS progress are provided in its own section of this report.

Four very significant developments highlighted the year for CUMIS. These included the qualification of CUMIS in every province of Canada, approval of the CUMIS discovery bond by the U. S. Treasury Department and the Bureau of Federal Credit Unions, development in cooperation with CUNA Mutual of the "Credit Union Package of Protection" Program, and the declaration of the first CUMIS dividend of 25 cents per share on the basis of 1966 earnings.

These accomplishments in CUMIS' sixth full year of operations have firmly established CUMIS as a major credit union service organization. They have substantiated the judgment of the CUNA Mutual Board of Directors in creating CUMIS as an affiliate organization in 1960 and justified the faith of the many credit union organizations and members who have joined in the ownership of CUMIS.



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**ABOVE:** The new Western Office Building of CUNA Mutual and CUMIS Insurance Societies, at Pomona, California, was opened in 1966 to serve credit union members in 13 Western States.

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As in all previous years of its existence, the activities of CUNA Mutual on behalf of the credit union idea were not limited during 1966 to the providing of insurance services. The Society continued to work closely with policyowner credit unions, leagues, and other organizations of the credit union movement in a variety of ways in extending the influence and strength of credit unions.

**League Assistance:** Outstanding among these activities was the League Assistance Program under which financial assistance is being provided to leagues for the organization of new credit unions and the growth and development of existing credit unions. A total of 31 leagues were participating in the program by the end of 1966, and 345 new credit unions were organized under the program during the year. Since its beginning in 1963, a total of 593 credit unions have been organized under the program in the U. S. and Canada.

A total of 538 Growth Programs were installed in cooperation with policyowner credit unions during 1966 as a means of helping them build membership and attain greater share and loan volume. Of this number, 273 were installed by leagues cooperating under the Growth and Development phase of the League Assistance Program.

One of the great challenges of the credit union movement in this period of change and competition has been to convey the credit union story to members and the general public alike. CUNA Mutual's use of its annual policyowner calendar during the past six years to present portions of the Great Credit Union Story has been widely lauded throughout the credit union movement.

**"Great Tributes . . ."** The most recent of these calendars, "Great Tributes to Credit Unions," which was produced for 1967, has been praised by many as one of the most valuable promotional instruments that has been produced in the credit union movement. Thousands of additional copies of the calendar and a booklet based on the calendar were ordered by leagues and credit unions for use in building understanding and respect for credit unions with members, legislators, and others.

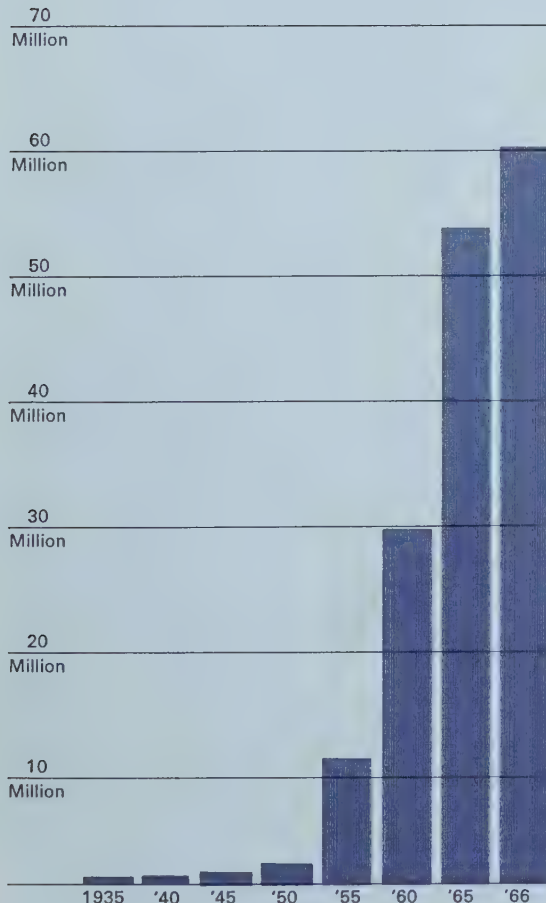
This calendar, which features endorsements of the credit union by 13 distinguished leaders from government, religion, business, industry, labor, agriculture, education and various other fields, was possible only because of the cooperation from leagues, credit unions, and members in securing the endorsements.

**Credit Union Cooperation:** This cooperation by credit union people and organizations on a project to advance the credit union idea has long been the great strength of every credit union organization, and it was as much apparent in CUNA Mutual's 1966 operations and results as in all previous years.

Many credit union people and organizations cooperated to make 1966 a year of outstanding progress and accomplishments for CUNA Mutual. This was typified in the help received from the 15 distinguished credit union leaders who serve on our Policyowners Advisory Committee. It was illustrated in the fact that 20,300 credit union people from 51 league areas participated in 560 chapter meetings under our annual Policyowners' Representatives Program.

It was apparent in the cooperation received from the California and Ontario Credit Union Leagues in the construction of the new Canadian and Western Office buildings and in the day-to-day help received from other leagues on a wide variety of programs and problems.

Many factors contributed to the 1966 results. New service programs and new facilities were important and the dedicated effort of our employees contributed substantially to the results. However, the greatest factor continued to be CUNA Mutual's success in maintaining the faith and confidence of the credit union people it serves. This was CUNA Mutual's greatest accomplishment during 1966, and the greatest assurance for the future.



**31 YEARS OF CLAIM BENEFITS  
TO CREDIT UNION FAMILIES**

*E. E. Eikel Jr.*  
President

*P. O. Deaton*  
Chairman of the Board



# Financial Statement

## of the Cuna Mutual Insurance Society

Balance Sheet as of December 31, 1966 condensed from  
the reports filed with The Wisconsin Insurance Department

### ASSETS

	1966	1965
United States Bonds.....	\$ 9,006,910.50	\$10,270,737.52
Bonds of Canada and Other Countries.....	10,223,366.71	10,090,626.52
Public Utility and Railroad Bonds.....	8,733,899.03	7,327,733.00
Total Bonds.....	\$27,964,176.24	\$27,689,097.04
Stock of CUMIS Insurance Society.....	\$ 1,899,547.53	\$ 1,898,017.81
First Mortgage Loans.....	15,831,100.81	14,628,528.38
Home Office Building.....	2,659,292.99	2,659,675.31
Canadian Office Building.....	1,377,216.34	385,631.39
Pomona Office Building.....	624,462.66	
Loans to Policyowners.....	634,824.04	490,462.27
Cash on Hand.....	2,988,181.74	1,732,990.55
Premiums Due.....	7,587,599.21	6,807,438.56
Interest Due and Accrued.....	635,372.03	371,160.66
Total.....	\$62,201,773.59	\$56,663,001.97

### LIABILITIES

Policy Reserves.....	\$26,362,353.27	\$25,107,554.63
Dividends.....	9,797,807.28	10,011,188.37
Policyowner Funds.....	909,855.29	774,601.77
Premium Deposits.....	2,067,357.90	1,240,436.66
Outstanding Claims.....	11,861,101.00	9,630,494.00
Taxes Payable.....	1,519,953.21	1,497,367.75
Accounts Payable.....	134,607.49	61,431.94
Special Surplus.....	557,584.00	484,390.00
Surplus.....	8,991,154.15	7,855,536.85
Total.....	\$62,201,773.59	\$56,663,001.97

### TREASURER'S STATEMENT

Cuna Mutual Insurance Society's 1966 financial statement has been prepared in conformity with insurance accounting principles as prescribed by law. This statement reflects high standards of service, protection and payments to credit union people.



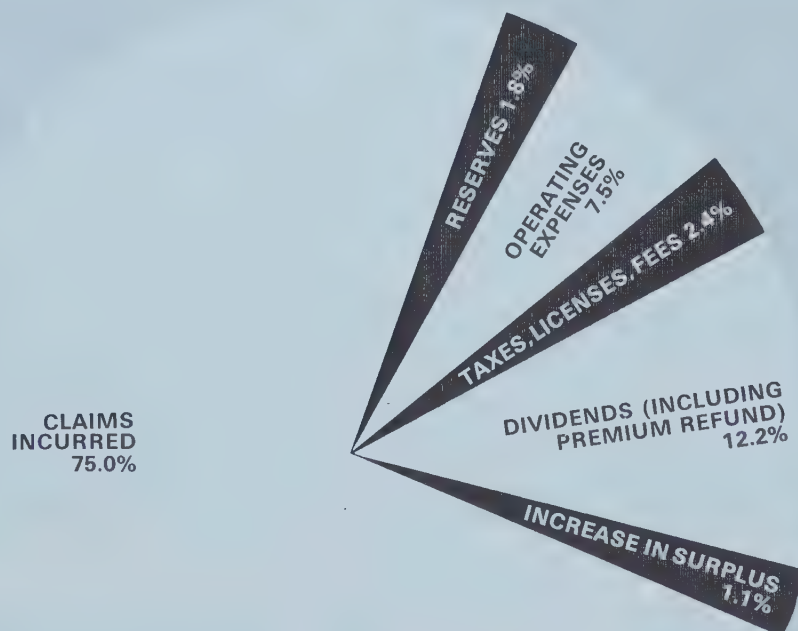
William Reid  
Treasurer



## SUMMARY OF OPERATIONS

	1966	1965
Coverage.....	\$10,923,620,756.00	\$9,728,269,502.00
Premium Income.....	82,142,681.30	73,578,807.57
Investment and Other Income.....	2,594,148.63	1,771,155.69
Total Income.....	84,736,829.93	75,349,963.26
Claims.....	60,793,716.80	52,961,340.80
Operating Expense.....	8,744,115.43	6,617,016.82
Taxes.....	2,081,712.71	2,180,565.40
Increase in Reserve and Non Admitted Assets....	2,183,860.41	1,711,692.20
Dividends.....	9,797,807.28	10,011,188.37
To Surplus.....	1,135,617.30	1,868,159.67

## 1966 INCOME DISTRIBUTION — LOAN PROTECTION AND LIFE SAVINGS CONTRACTS





# Canadian Review

Our growing service in Canada was tangibly illustrated in two principal ways in 1966.

First, on International Credit Union Day, the new Canadian office building of CUNA Mutual and CUMIS Insurance Societies at Burlington, Ontario, was dedicated to the credit union people of Canada.

Secondly, the year-end financial statement showed that CUNA Mutual's total insurance in force in Canada had climbed to just about the billion-and-a-half dollar mark, which was more than eight times the coverage in force when the Society built its first office building in Canada in 1953.

The new building was made necessary by the dynamic growth of the credit union movement in Canada. Paul Deaton, Chairman of CUNA Mutual's Board of Directors, appropriately described the new building, at its dedication, "as a result and symbol of the power of credit union unity in action."

"Canadian and American credit union people were first united through their mutual use and support of the service of CUNA Mutual," the board chairman pointed out, "and our links today are far stronger because of our common use and support of our own credit union insurance Society."

It would be appropriate to add, as Canada observes its Centennial, that one of Canada's greatest contributions to the world in its first century of progress has been the important role its people have played in the development of today's international credit union movement.

CUNA Mutual's total insurance in force in Canada on Dec. 31, 1966, stood at \$1,425,765,182. This represented a coverage gain of \$192.8 million in 1966, as compared to the increase of \$134 million in 1965.

Through 8,324 CUNA Mutual claims payments during the year — amounting to \$6,856,000 — Canadian credit union families were relieved of debts or received an added measure of security at a time of hardship and sorrow. This represented an increase of \$1,018,277 in claims paid by the Society over the year 1965.

Benefits paid by CUNA Mutual to its policyowners in Canada, in both claims and dividends, climbed to \$8,388,000 during the year, an increase of \$1,534,000 over 1965.

CUNA Mutual is now providing a blanket of protection to over 1,400,000 Canadian credit union borrowers and shareowners through approximately 6,000 group contracts. In addition, more than 21,000 individual life insurance contracts are providing about \$100 million in added security for credit union members and their families.

The Society now has a field staff of 36 in Canada carrying service to Canadian credit unions in all corners of the nation. For example, the new, low-cost Credit Union Members Family Life Insurance Plan, developed to meet the expanding needs of credit union people everywhere, was widely introduced during the year. The Members Group Life Program was introduced to 58 credit unions for coverage of \$15.9 million, while an additional \$7.5 million of coverage was added to existing programs. Another 18 Members Individual Life Programs, for \$4.4 million in coverage brought the total family plan coverage in Canada to the \$117 million mark.

In one province alone, 12 credit unions with combined coverage of \$3.7 million returned to CUNA Mutual in 1966 after experiences with other carriers. Late in the year, a representative was placed in Newfoundland to offer Loan Protection and Life Savings service to credit unions who do not carry this coverage.

The CUNA Mutual Agency program grew during the year. The total for the year showed that \$15.9 million of insurance protection was provided in 2,138 policies issued to Canadian credit union members.

CUNA Mutual's growth in Canada undoubtedly stems from the fact that the Society devotes all of its time, attention and resources to the insurance problems of credit unions and their members.

The treasurer-manager of a Canadian credit union emphasized this point in a letter he recently sent to the Society. He wrote:

*"I couldn't help but think of CUNA Mutual's excellent service over the years, much of which was planned and provided in anticipation of the exact needs of credit union members. CUNA Mutual has provided contracts tailored to the needs of every kind of credit union."*

Clair  
 Stay please  
 JS



CUNA MUTUAL COVERAGE  
 GROWTH IN CANADA 1937-1966

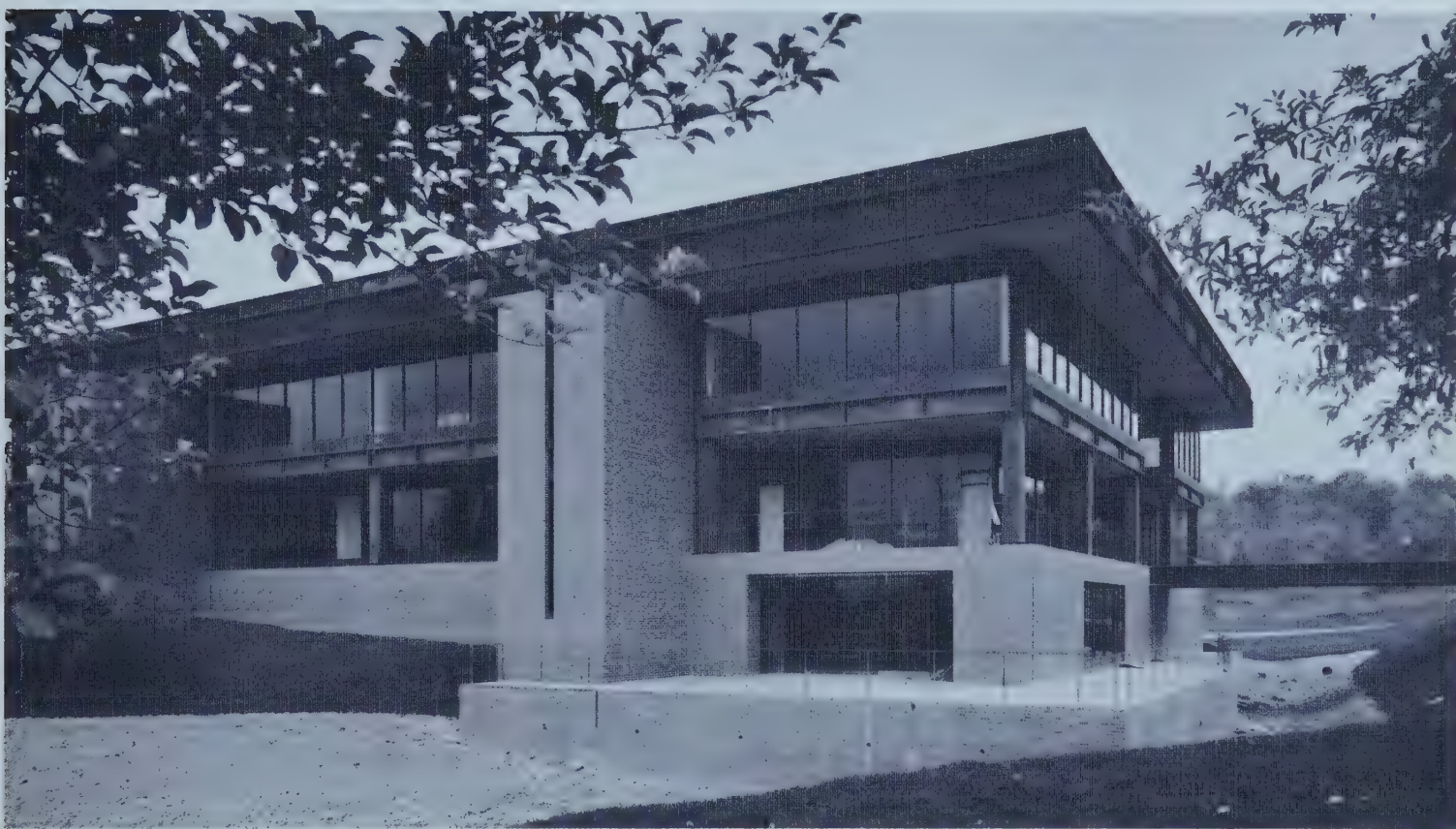




CUNA Mutual is proud to participate in Canada's Centennial observance. The Society's 1967 Centennial Calendar, honoring some of the leaders who served their fellowman in Canada for the cause of credit unions, has been widely praised. Additional copies have been requested by business, church, government and industry groups. The Society is participating in an exhibit at "Expo '67" and the Society has also prepared a special Centennial Insurance Contract. The Board of Directors authorized Centennial Gifts to the Extension Department of St. Francis Xavier University and Coady International Institute of Antigonish, Nova Scotia, for extension of the credit union movement in Canada.

"Canadian Heritage," a booklet portraying documents from Canada's history, is being produced by CUNA Mutual as a special publication marking Canada's Centennial of Confederation. The booklet, designed to be a collector's item, will be sent to policyowners in Canada, as well as all Canadian secondary schools and public libraries.

The record documents that Canada is an integral part of CUNA Mutual's world of service. This service program gives every indication of rising to greater heights as Canada moves into its second century of nationhood.



**UPPER:** A highlight of the dedication of the new CUNA Mutual-CUMIS Canadian Office Building on International Credit Union Day (1966) was the raising of the flag on a 50-foot high cedar pole which was donated by credit union members in British Columbia. The presentation of the pole was made by George May, a member of the CUNA Mutual Policyowners Advisory Committee from British Columbia who is shown above second from the right. **CENTER:** The new Canadian Office Building of CUNA Mutual and CUMIS Insurance Societies at Burlington, Ontario, was dedicated on International Credit Union Day to the credit union people of Canada. **LOWER:** The Hon. H. Leslie Rowntree, QC, Minister of Financial & Commercial Affairs in the Ontario Legislature, is seen accepting a copy of "Canadian Heritage," a booklet produced by CUNA Mutual and CUMIS Insurance Societies as a part of their Canadian Centennial observance. C. Gordon Smith, the Societies' vice president, is seen at right, while at center is Donald R. Bell, past president of the Ontario Credit Union League. The presentation took place at the opening of the League's 1967 annual meeting in Toronto.



# Expansion of Overseas Service

The goal of CUNA Mutual's international program has been to provide the credit union people of overseas nations with sound and valuable insurance services, tailored to their particular needs and desires, consistent with overall plans for the growth and progress of the credit union movement.

As an institution created for credit union service, CUNA Mutual has sought to help these new credit union movements in other lands whenever and wherever our services have been requested. CUNA Mutual currently provides service in 36 international areas and has plans for increasing this number at an accelerated rate in the immediate future.

During 1966, CUNA Mutual began service to seven additional overseas areas — the Trust Territory of the Pacific, New Zealand, the Solomon Islands, Tanzania and Lesotho in Africa, Honduras and Ecuador. In addition, reinsurance agreements have been negotiated as a basis for service to start shortly in Mexico and Guatemala.

The total number of Loan Protection and Life Savings contracts with credit unions in international areas increased by 23 percent in 1966, from 1,759 contracts at the end of 1965 to 2,159 on December 31, 1966.

CUNA Mutual's total insurance in force in international areas amounted to \$83 million at the end of 1966 and this was a 22 per cent increase during the year.

Our international program is moving ahead in many other areas. A good part of the time of the CUNA Mutual International Department has been devoted to studies and surveys, qualification of both CUNA Mutual and CUMIS, and other development work. All basic manuals, policies and forms have been prepared in both Spanish and English and this can be marked up as a major accomplishment of the year. A Policyowners' Representatives Program was started in the Caribbean in 1966 and we are preparing to expand it to Colombia and Peru in 1967.

Home office personnel of CUNA Mutual worked closely with overseas credit union leaders in various development activities as part of the international expansion program.

Carlos Matos, CUNA Mutual Vice President for International Operations, and Charles C. Compton, Assistant Vice President-International, were invited to participate as instructors in the First Irish School for Credit Union Leaders held at Gormonston College in County Meath. The Society has close to 150 policyowner credit unions in Ireland.

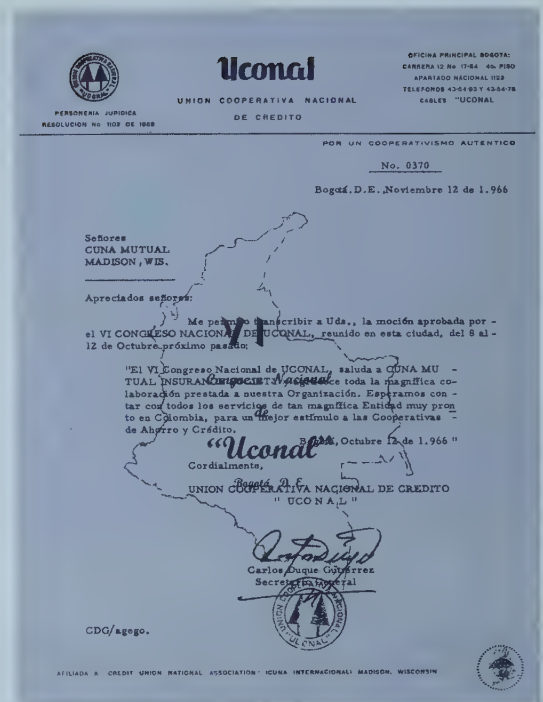
Matos and Compton also participated, for the second consecutive year, in Australian credit union schools. The schools, conducted in conjunction with the New South Wales Credit Union League, were for Credit Union Leaders and Learners and for advanced study. Others on the staff of instructors, besides Matos and Compton, were the Rev. Father Marion M. Ganey, pioneer credit union leader in Central America and South Pacific; Beresford Calverley, New South Wales League President; Stan Arneil, president of the Australian Federation of Credit Union Leagues, and J. B. Lange, league solicitor.

CUNA Mutual's first Loan Protection and Life Savings Contracts in New Zealand were issued in November. The league was 100 per cent for the Society's services. Applications were received from every league-affiliated credit union in New Zealand. CUNA Mutual had been licensed to do business in New Zealand the month before.

Our companion organization, CUMIS, has started international service. In addition to service in Canada, CUMIS has prepared a program for the Trust Territory of the Pacific and is proceeding with plans for service in Australia. Arneil, president of the Australian Federation of Credit Union Leagues, was appointed Australian manager of CUMIS, which has been registered in New South Wales and is seeking the same qualification in the other Australian states. He will serve in the same capacity for CUNA Mutual when it is qualified there.

The continued expansion of service to credit union people in overseas areas was cited by CUNA Mutual Board Chairman Paul D. Deaton as one of the Society's major accomplishments in 1966.

"The extension of the credit union concept throughout the world has been the great and noble ambition of credit union people since the organization of the movement, and CUNA Mutual can and should share in this great endeavor," Deaton said.







**UPPER LEFT:** The Colombia Credit Union League writes CUNA Mutual to thank the Society for its "magnificent collaboration" and to express the hope the league will soon have all CUNA Mutual services as "a better stimulus to credit unions." **UPPER RIGHT:** CUNA Mutual's field representatives in Latin America are pictured with Carlos Matos (right), CUNA Mutual Vice President in charge of International Operations, examining a map of the area they serve. **LOWER RIGHT:** At the historic signing of the first Life Savings and Loan Protection contracts in New Zealand are (left to right) Charles C. Compton, CUNA Mutual assistant vice president-International; P. R. Green, president of the Times (Waikato) Credit Union; Trevor J. Barber, president of the New Zealand Credit Union League; Jim Daley, president of St. Mary's (Hamilton) Credit Union, and Colin Smith, managing director of the New Zealand League.



# Cuna Mutual-Cumis: in the 1966 News

**BOARD OF DIRECTORS**  
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 PRESIDENT  
 MR. ROBERT W. BURRIS  
 VICE PRESIDENT  
 MR. LEONARD W. GALL  
 CHAIRMAN  
 ROBERT W. DONNELLY, MARY J. HART  
 HENRY W. ALLEN  
 MR. J. J. HENRY VERVILLE  
 MR. JOSEPH J. BERTON  
 CHAIRMAN L. HICKMAN

**OTIS FEDERAL CREDIT UNION**  
 Telephone 563-3351 - 563-5089  
 One Air Force Base, Massachusetts 02542  
 V-Mail No. 238

**EDUCATION COMMITTEE**  
 MR. HENRIETTA C. BAKER  
 CHAIRMAN  
 MRS. JOSEPH TRABER  
 MR. JOSEPH H. BARNETT  
 MR. JOSEPH P. BARNETT  
 MRS. TUDOR BARNETT  
 CREDIT COMMITTEE  
 MR. J. J. HENRY VERVILLE  
 CHAIRMAN  
 ROBERT W. DONNELLY, MARY J. HART  
 RECEIPT  
 ONE BERNARD J. PAULSON

21 November 1966  
 Ref. No.: 111

President  
 Cuna Mutual Insurance Society  
 P. O. Box 391  
 Madison, Wisconsin 53701

Dear Sir:

At a Special Meeting of the Board of Directors of the Otis Federal Credit Union, Otis A. F. B., Massachusetts, it was voted to award a Citation of Appreciation to Mr. Richard C. McNulty, Cuna Mutual Insurance Society, for his outstanding work accomplished during our period of need caused by our recent plane disaster at this base.

Mr. McNulty thru his devotion to duty worked closely with Mr. Kennedy, Manager of the Otis Federal Credit Union, during this trying period. Mr. McNulty showed outstanding characteristic of leadership and management, and due to his untiring efforts in a matter of 48 hours all Death Claims have been settled.

The Board again wishes to take this opportunity to thank Cuna Mutual Insurance Society for their fine assistance and this Union is proud to be associated with such outstanding men as Richard C. McNulty and his fine staff in the Home Office in Madison, Wisconsin.

Very truly yours,

*Laurence P. Reid*  
 Laurence P. Reid  
 President

LPR:pdh

Enc.: (one)

FLY SAFE - DRIVE SAFE

RECEIVED NOV 28 1966



Reprint of

**The New York Times.**

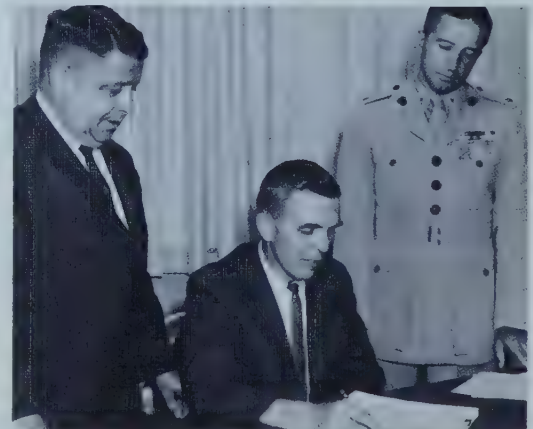
March 5, 1966

EDITORIAL

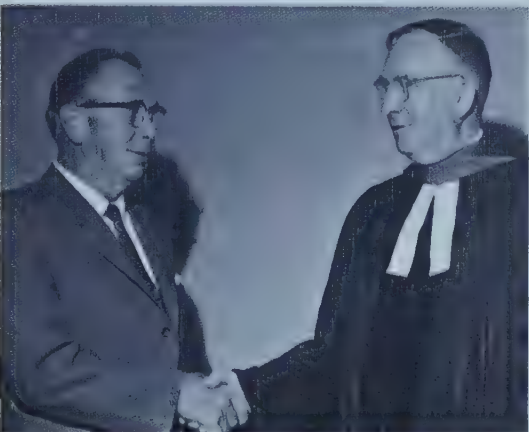
**"WILLIAM REID'S LONG SERVICE"**



**UPPER LEFT:** A letter from the Otis Air Force Base Credit Union thanks CUNA Mutual and its field representative, Richard McNulty, for "outstanding" claims service and assistance after an air tragedy claimed the lives of 14 of the credit union's members. **UPPER CENTER:** William Reid, veteran member of the CUNA Mutual and CUMIS Boards of Directors, received an editorial tribute from the New York Times in 1966 for his long and distinguished career as a New York City public official. **UPPER RIGHT:** Two credit union pioneers who served as members of CUNA Mutual's founding Board of Directors in 1935 are shown at the Society's 1966 Biennial Policyowners Meeting looking at a chart portraying CUNA Mutual's growth in coverage past the 10-billion-dollar-mark. The original Board members shown are (left to right) Claude Clarke, Ohio, and Claude Orchard, retired director of the U. S. Bureau of Federal Credit Unions, with C. F. Eikel, Jr., CUNA Mutual president. **CENTER:** Twenty-four outstanding field representatives and agency staff members, 17 from the U. S. and seven from Canada, were selected for the first President's Council of CUNA Mutual and CUMIS Insurance Societies. They are pictured here with C. F. Eikel, Jr., president of CUNA Mutual and CUMIS. **LOWER:** A U. S. Marine, Major Alvin J. Doublet, who won the Silver Star medal in combat in Vietnam, is shown examining some of the claims that fall under CUNA Mutual's Vietnam Claims Policy. Also shown are Richard Uphoff (seated), CUNA Mutual claims manager, and E. G. Doublet, CUNA Mutual district manager and the major's brother.







**UPPER:** Charles F. Eikel, Jr., president of CUNA Mutual and CUMIS Insurance Societies (seated) was general chairman of the 1966 United Givers Fund Campaign of the Metropolitan area of Madison, Wisconsin. The campaign raised a total of \$1,312,473, which was 105 percent of the goal for the drive. Here Mr. Eikel shares victory smiles with representatives of several Red Feather agencies supported by the United Fund, including the Girl Scouts, Red Cross, USO and American Heart Association. **CENTER LEFT:** CUNA Mutual's Student Employment Program won a national citation for the second consecutive year "for a meaningful contribution to the welfare of the nation and its youth." The citation was included in a Certificate of Appreciation to the Society presented jointly by President Lyndon B. Johnson and Vice President Hubert Humphrey. Senior Vice President M. F. Gregory chats here with Ed Gaskill, one of the 11 college students employed in the Home Office last summer under the program. **CENTER RIGHT:** Lorne Greene, star of the "Bonanza" television show, is one of 13 distinguished Americans featured in CUNA Mutual's 1967 policyowner calendar, "Great Tributes To Credit Unions." Greene is shown receiving his calendar portrait from Henry L. Timme, CUNA Mutual executive vice president (left) and C. Gordon Smith (right), vice president of CUNA Mutual Canadian operations. **LOWER:** The Rev. J. D. N. MacDonald, Chairman of the CUMIS Board of Directors, received the highest honor of the United Church of Canada on September 28 when he was awarded the honorary Doctor of Divinity degree in recognition of his credit union work and church service.



# Working Things Out Together

A truly memorable and spirit-lifting statement about the world of credit union service was submitted to CUNA Mutual's policyowners May 12, 1966, at their Biennial General Election Meeting in Madison.

It came from the Rev. J. Ellsworth Kalas, senior minister of the First Methodist Church in Madison, who was invited to offer a few remarks at the opening of the policyowner session. The minister described himself as an "outsider" as far as the credit union movement is concerned, but his perceptive address shortly disclosed that he understood completely the real significance of credit union service. There were, subsequently, many requests for copies of his talk.

"What is it that makes you all pull together?" the clergyman asked.

And then, answering his own question, he pointed out that the "secret" of credit union purpose and service, "is people and your belief in the importance of people."

Praising the power of the credit union purpose, Rev. Kalas added, "when a man helps a human being to be a better human being, he is in league with the cause of God."

He expressed the belief that credit unions today have "more obligation than ever before," in the struggle to "win freedom and dignity for man in the whole world."

This kind of a vision is enough to keep the independent parts of the democratic credit union organizations united in a common purpose, the minister asserted.

"You are tied together in a great enterprise," he concluded.

CUNA Mutual is very proud and grateful for the part it has been able to play in this enterprise for the past 31 years. Today, it is working harder than ever to make sure that its programs and objectives are oriented to the purposes of this enterprise. The response from credit union people, the leagues and other credit union organizations has resulted in a spirit of understanding and cooperation that has made a great contribution to the growth of the Society.

The close cooperative relationship which CUNA Mutual has had with the Credit Union Leagues has been an important factor in the Society's development as a major international insurance organization. From its very beginning, the unique strength of CUNA Mutual has stemmed from the understanding and confidence it has received from the Credit Union Leagues and the credit unions and their members. Our effort to maintain and continue to earn this understanding and confidence was increased during 1966.

This was accomplished through CUNA Mutual's Policyowners' Representatives Program, the work of the Policyowners Advisory Committee, CUNA Mutual's League Assistance Program, and the Society's biennial election and policyowner meeting. The participation by so many in the Society's programs has given the CUNA Mutual organization an insight into the ways it can make a contribution to the overall credit union purpose, as well as the insurance needs of credit union people.

The League Assistance Program is one of the newest illustrations of how credit union organizations work together. While it was not anticipated that all leagues would need the program or be able to work it into their current operations, a total of 31 leagues in the United States and Canada were utilizing the program by the end of 1966 to further their organization of new credit unions and the growth of existing credit unions.

The program accounted for the organization of 345 new credit unions in the U. S. and Canada in 1966. This was nearly three times the number organized through the expanding program in 1965, and brought to 593 the number of credit unions organized since the beginning of the program.

The leagues have complete authority and responsibility for the organizing and growth programs conducted under the League Assistance concept. It demonstrates, once again, how various joint programs can come up with vital approaches to common problems. A total of 538 Growth Programs were installed in 1966 as part of the growth phase of League Assistance.

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**UPPER LEFT:** These League area delegates are pictured at the Home Office conference in 1966 that marked the 10th Anniversary of CUNA Mutual's Policyowners' Representatives Program. **UPPER RIGHT:** These credit union leaders retired in 1966 from volunteer service on CUNA Mutual's Policyowners Advisory Committee. W. G. Lonergan (left), CUNA Mutual director and former Board Chairman, is shown presenting plaques, recognizing this service, to (l. to r.) Victor Nunes, New Orleans, La., former Louisiana League and national director; Phil Davis, Dallas, Tex., general manager of the Dallas City Employees Credit Union; Don Bell, president of the Ontario Credit Union League, and Garland Keeling, managing director of the Virginia Credit Union League. **LOWER LEFT:** CUNA Mutual's Policyowners Advisory Committee, pictured here, meets regularly to review the Society's programs. **LOWER RIGHT:** This group of Credit Union League representatives is pictured at one of the four two-week orientation programs conducted to acquaint League employees with CUNA Mutual's League Assistance Program. J. M. Sparkman, CUNA Mutual vice president for League Relations, is speaking to the group.

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CUNA Mutual's Policyowners' Representatives Program celebrated, during 1966, its Tenth Anniversary of working things out together with its credit union policyowners. For a decade now, the POR program has proven to be a wonderful instrument permitting the Society and its policyowners to freely exchange ideas and information.

The annual Policyowners' Representatives Program concluded in 1966 was attended by some 20,300 credit union people representing 7,800 credit unions. There were 51 league area conferences and 560 policyowner meetings at the chapter level.

Two new educational tools were developed for the current program. They are unique flipcharts to assist the communications program. One is a report on CUNA Mutual and CUMIS services, operations and programs for credit union board and committee members. The second, entitled, "It's Your Credit Union Story," is specially designed for a report to credit union members on the credit union and CUNA Mutual services available to them.

Much of the growth and progress of CUNA Mutual in recent years is due to the fact that the Society recognizes it must develop new methods and programs to meet changing needs, in addition to having responsible credit union people review all programs. This was a basic reason for the establishment of CUNA Mutual's Policyowner Advisory Committee, composed of prominent credit union leaders from the U. S. and Canada. The committee continued its regular evaluations of operations and programs. William Telzrow, Cleveland, O., former vice chairman of the committee, was appointed chairman in 1966, succeeding L. Phil Davis, Dallas, Tex., who retired after lengthy service. Charles W. Jones, Aiken, S. C., president of the South Carolina League, was appointed vice chairman.

CUNA Mutual's policyowners also worked together at 648 area meetings throughout the U. S. and Canada and in distant corners of the globe. They voted in the Society's Biennial Election and discussed CUNA Mutual affairs as part of the area system which enables policyowners to meet and vote in their home areas.

The credit union spirit of interest, understanding and cooperation between CUNA Mutual, its credit union owners, the Leagues and other credit union organizations was most evident in 1966. This, as much as anything, accounts for the Society's fine progress during the year.





# 1966 Review of CUMIS Insurance Society, Inc.

CUMIS Insurance Society continued to make very good progress in 1966. It was, in most respects, the best year for CUMIS since it was established in 1960 to serve the property and casualty insurance needs of credit unions and their members.

The Financial Statement and Summary of Operations on the following pages of this report provide detailed information about our operations in 1966. Examination of these statements makes it apparent that CUMIS has made gains in all areas — including premiums written, underwriting expenses and net gain from operations — which were the best achieved by CUMIS to date.

In summary, it should be pointed out that CUMIS moved ahead during 1966 in three major areas:

- *The financial growth and administrative development of CUMIS has accelerated beyond our estimates. This is due to the sound contracts we have developed for the particular needs of credit unions and their members and the fine service program we have developed for credit union people.*
- *We expanded our service in Canada where we received a federal license and qualified to serve in all ten provinces. Canadian marketing operations were started in mid-November.*
- *CUMIS, along with CUNA Mutual, greatly increased its capacity during 1966 to serve the modern-day insurance needs of credit unions by development of the "Credit Union Package of Protection" program and by extending its license to write the Credit Union Discovery Bond.*

The financial growth of CUMIS, and its rapidly maturing service facilities, is reflected in the fact that the net gain for each share of CUMIS stock was 85 cents in 1966, as compared to a net gain of 54 cents per share in 1965 and 19 cents in 1964.

Admitted assets of CUMIS Insurance Society on December 31, 1966, totaled \$4,472,505. This compares with assets of \$3.7 million at the end of 1965 and assets of \$2.1 million at the close of 1964. This growth of more than 100 per cent in assets over the past three years is tremendously encouraging not only because of the added strength it represents, but because it also reflects the faith and confidence of the many credit union people and organizations who have joined CUNA Mutual in the stock ownership of CUMIS.

After reviewing all these factors, the CUMIS Board of Directors was proud and pleased to declare the Society's first stock dividend. CUMIS directors voted a dividend of 25 cents per share to be paid April 1, 1967, to stockholders of record as of February 9, 1967.

The Board also voted to conclude, on April 30, the sale of CUMIS stock which was started in 1965 to give CUMIS the financial strength needed to qualify for service in every league area in the United States and Canada. CUMIS now has that capacity.

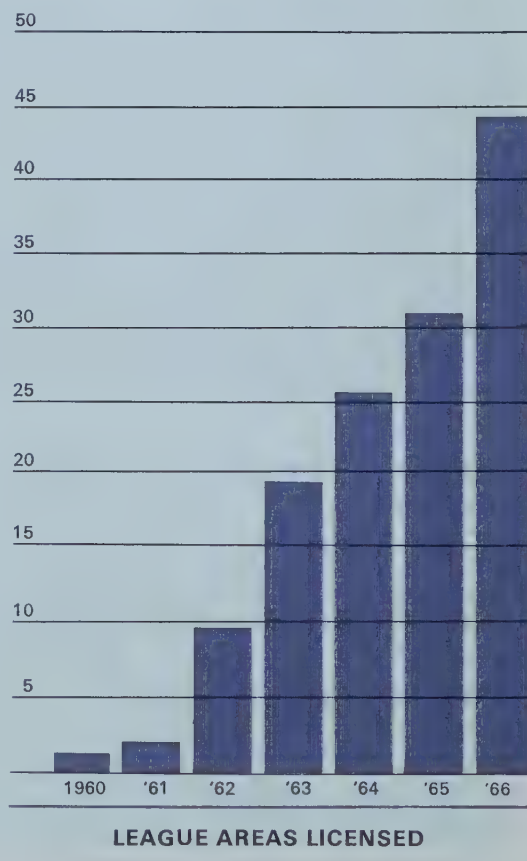
CUMIS issued 730 contracts to credit unions during 1966 to cover their always present risks in operating a credit union. The increase brought to 4,644 our year-end total of contracts with credit unions in force. As part of our expanding program, we more than doubled the issuance of CUMIS Homeowners contracts to credit union members. CUMIS issued a total of 1,063 Homeowners policies in 1966, including 72 in Canada in the last month of the year, as compared to the 450 Homeowners contracts issued in 1965.

Very high on the list of our 1966 accomplishments must be the development of our "Credit Union Package of Protection" and preparation of plans to start marketing this package in 1967. This program will bring even greater economy and administrative efficiency to bear on credit union insurance problems.

The new program incorporates Loan Protection, Life Savings and other life coverages with property, casualty, fidelity bond and other insurance coverages into a single package featuring a single monthly premium. The program will be made available to credit unions of all sizes.

We believe that this package of credit union insurance services is the most comprehensive and most valuable developed to date.

CUMIS was established because it was felt the many years of work and experience put into the development of CUNA Mutual could sensibly be





utilized to bring more comprehensive insurance service to credit unions at extremely reasonable costs. The logic of this sensible pooling of talents is now self-evident in the CUNA Mutual-CUMIS Package of Protection.

In addition to the best possible protection, the new package will make it easier for the credit union to maintain its books. The new coverage reports for credit unions with the CUNA Mutual and CUMIS coverages available in the package will make it possible for the credit union to write but one check for the coverages. Elimination of pre-paid insurance accounts in the package will permit credit unions to devote these funds to other benefits for their members. Needless to say, it's also a very practical advantage for a credit union to have all of its coverages clearly and conveniently spelled out in one book.

By the end of the year many Insurance Departments around the country had already approved the new and unique package, indicating the soundness of the program. By the close of 1966, the Package of Protection had been approved by Insurance Departments in 17 league areas in the U. S. The package has now been filed in all other licensed areas.

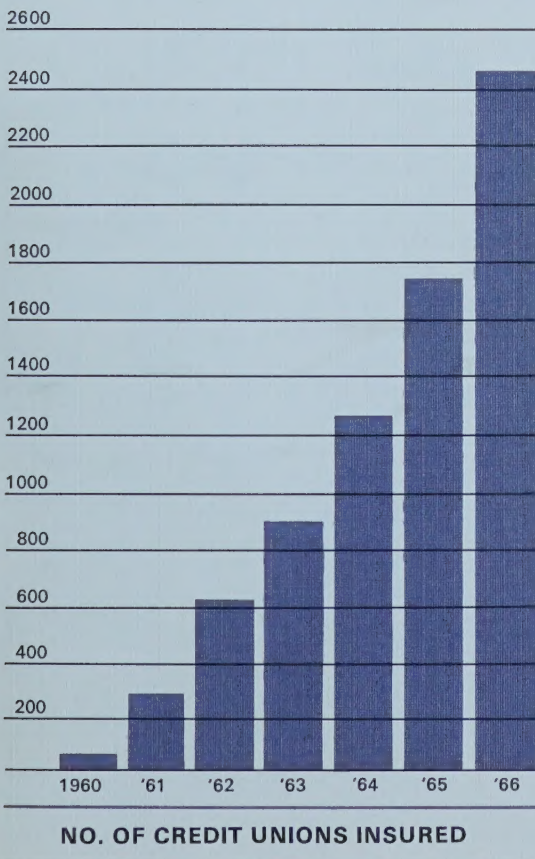
This service program for credit unions was further enhanced in 1966 by development of the CUMIS credit union bond.

The CUMIS bond, to our knowledge, offers the broadest coverage for any company writing bonds for credit unions. We know of no other company, for example, writing Immediate and Full Discovery. CUMIS was placed on the U. S. Treasury Department list as a qualified and approved insurer, August 25, 1966, and then, on November 7, the U. S. Bureau of Federal Credit Unions forwarded its letter of approval of the CUMIS Credit Union Bond. The bond is being written for both State and Federally chartered credit unions in all areas where it has been approved.

We are hopeful that in 1967 that as many credit union directors as possible will be given the opportunity of personally reviewing the advantage, in both protection and economy, that this new total program has to offer. CUMIS has worked hard not only to continually expand its coverages, but also to clarify confusing language in casualty contracts so that they are readily understandable to credit unions and their members.

*C. F. Eikel, Jr.*  
President

*Rev. J. D. N. MacDonald*  
Chairman of the Board



**ABOVE:** C. F. Eikel, Jr., President (left), Rev. J. D. N. MacDonald (right), Chairman of the Board.



# Financial Statement

of the CUMIS Insurance Society, Inc.

Balance Sheet as of December 31, 1966, condensed from  
the reports filed with The Wisconsin Insurance Department

## ASSETS

	1966	1965
Bonds.....	\$3,974,099.50	\$ 2,708,676.54
Stocks.....	238,676.00	96,330.00
Cash.....	112,304.29	929,774.72
Uncollected Premium.....	34,284.71	17,462.04
Due from Reinsurer.....	60,834.28	1,501.56
Interest Due and Accrued.....	52,306.75	27,586.56
Total.....	\$4,472,505.53	\$3,781,331.42

## LIABILITIES, CAPITAL AND SURPLUS

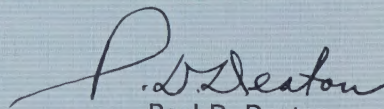
Reserve for Losses.....	\$ 54,300.62	\$ 25,643.86
Reserve for Loss Adjustment.....	4,235.41	1,134.39
Unearned Premium Reserve.....	273,436.68	227,592.62
Accounts Payable.....	11,725.19	9,750.22
Taxes Payable.....	115,847.74	16,905.46
Statutory Reserve.....	108,925.14	63,366.65
Advance Premiums.....	3,716.56	13,963.07
Reinsurance Payable.....	12,111.81	8,753.74
Foreign Exchange Liability.....	51,310.31	45,216.07
Total Liabilities.....	\$ 635,609.46	\$ 412,326.08
Capital Stock.....	\$1,292,736.00	\$1,136,008.00
Paid in Surplus.....	2,530,920.44	2,414,017.00
Treasury Stock.....	(43,975.00)	
Earned Surplus.....	57,214.63	(181,019.66)
Total Capital and Surplus.....	\$3,836,896.07	\$3,369,005.34
Total Liabilities, Capital and Surplus.....	\$4,472,505.53	\$3,781,331.42

## SUMMARY OF OPERATIONS

	1966	1965
Premium Written Net.....	\$444,220.38	\$279,080.53
Increase in Unearned Premium Reserve.....	45,844.06	36,921.93
Premiums Earned.....	\$398,376.32	\$242,158.60
Loss and Loss Adjustment Expense Incurred.....	83,249.60	43,118.89
Balance.....	\$315,126.72	\$199,039.71
Underwriting Expense.....	256,200.20	208,474.66
Underwriting Gain (Loss).....	\$ 58,926.52	\$ (9,434.95)
Net Investment Income.....	181,171.95	92,725.24
Net Gain Before Federal Income Taxes.....	\$240,098.47	\$ 83,290.29
Federal Income Taxes.....	103,447.21	6,939.84
Net Gain.....	\$136,651.26	\$ 76,350.45

## TREASURER'S STATEMENT

The CUMIS Insurance Society, Inc., 1966 financial statement has been prepared in conformity with insurance accounting principles as prescribed by law. The statement reflects the increasing growth and service of CUMIS in meeting the property and casualty needs of credit unions and their members.

  
Paul D. Deaton  
Treasurer



## All-in-one insurance protection for Credit Unions and Credit Union Members



Thanks to the companion relationship of CUNA Mutual Insurance Society and CUMIS Insurance Society, Inc., an important new instrument of credit union insurance service was developed during 1966.

It is the "Credit Union Package of Protection" through which CUNA Mutual and CUMIS are jointly able to meet the various credit union needs for insurance protection with a single, easy-to-administer plan that may be paid for on a monthly basis by one premium check.

The Package, which can be tailored to meet the varying needs and desires of individual credit unions, is made up of the following types of coverage:

**FIRE AND ALLIED LINES** Basic coverages on credit union building, contents, extra expense, errors and omissions and others. • **INLAND MARINE** Financial records, share and loan records, valuable papers and other properties of a "floating" or movable nature are covered. • **CASUALTY** Standard coverages have been broadened to meet credit union characteristics and needs which differ from other types of business. • **BOND**

CUMIS bond adds new features which improve and broaden the coverages . . . and it is included in one monthly premium check. • **WORKMEN'S COMPENSATION** Meets the requirements contained in statutes which govern credit unions. • **LIFE COVERAGES** Loan Protection and Life Savings insurance for credit union members, Pension Programs, Major Medical, Employees Group Life, Salary Continuance and other coverages all included in one monthly premium check.

CUNA Mutual and CUMIS believe that this "Credit Union Package of Protection" is the most important development in the field of credit union insurance service since CUNA Mutual pioneered Loan Protection and Life Savings insurance in the 1930s. The Package of Protection was approved in 1966 by the Wisconsin Insurance Department and filed with Insurance Departments in all League areas in which CUMIS is licensed. It is anticipated that it will be available to credit unions in a majority of these Leagues in the U. S. and Canada by the end of 1967.



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